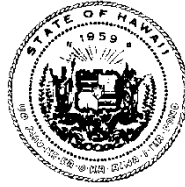


DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
Honolulu, Hawaii 96817

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON HOUSING

March 23, 2015 10:00 A.M.
Room 329, Hawaii State Capitol

In consideration of

**House Concurrent Resolution 174 &
House Resolution 110**

**REQUESTING THE HAWAII PUBLIC HOUSING AUTHORITY, IN CONSULTATION
WITH THE UNIVERSITY OF HAWAII AT MANOA DEPARTMENT OF URBAN AND
REGIONAL PLANNING, TO DEVELOP POLICIES FOR THE EQUITABLE
GEOGRAPHIC DISTRIBUTION OF AFFORDABLE HOUSING UNITS ON OAHU**

Honorable Chair Hashem and Members of the House Committee on Housing, thank you for this opportunity to provide comments regarding House Concurrent Resolution (H.C.R.) 174 / House Resolution (H.R.) 110, Requesting the Hawaii Public Housing Authority, In Consultation With the University Of Hawaii At Manoa Department Of Urban And Regional Planning, To Develop Policies For the Equitable Geographic Distribution of Affordable Housing Units On Oahu (Resolutions).

The Hawaii Public Housing Authority (HPHA) **strongly opposes** these Resolutions.

Across the State, the HPHA owns and operates 85 public housing properties that amount to 6,195 low-income public housing units. The vast majority of these properties are near or past their useful 50 year life and require major renovation or redevelopment, including \$800 million in backlog repairs.

While these Resolutions may be well-intentioned they are based on faulty assumptions, and ironically, could effectively decrease or eliminate a number of new affordable housing units that this Legislature is so driven to provide.

These Resolutions suggest that public housing is inequitably distributed across the Island of Oahu, with downtown Honolulu having an acutely high proportion of units that will be

expanded with the HPHA's proposed redevelopment of Mayor Wright Homes. They state that "large concentrations of affordable units are best avoided in favor of moderately-sized developments that may limit the negative effects associated with concentrations of poverty," and that the U.S. Department of Housing and Urban Development (HUD) has placed increasing emphasis on dispersing the geographic pattern of housing assistance.

However, the HPHA's goal in redeveloping Mayor Wright Homes, as well as other centrally located projects such as Kuhio Park Terrace Phase 2 and School Street, is to provide a mix of incomes among the units, including low-income, moderate income and possibly market rates. The integration of the various resident incomes will act to deconcentrate the current number of low-income units in each project area consistent with HUD's emphasis on dispersing the geographic pattern of housing assistance.

The concentration of affordable housing units in the urban core of the Island of Oahu is the goal of local planning ideals, including locating affordable housing within the Transit Oriented Development (TOD) zones so that residents are closer to their workplaces and their commutes are minimized. These Resolutions run counter to these policies by promoting development of affordable housing units outside of the urban core. Notably, Mayor Wright Homes and several other HPHA projects planned for redevelopment are located within the TOD zones.

These Resolutions request the University of Hawaii Department of Urban and Regional Planning to develop policies for the planning of affordable housing throughout the State and City and County of Honolulu. However, it is the State Office of Planning and County Planning Departments that statutorily have the authority, and basically have the expertise to develop planning policies. The State Office of Planning and the County Planning Departments are the appropriate agencies to develop any such planning policies, and already have planning policies and documents in place that account for development of housing across the State and each county.

The HPHA plans to redevelop its properties by efficiently using the existing lands upon which they sit. To relocate these projects to different, yet to be identified lands would thrust aside months of the HPHA's efforts to plan, procure and negotiate projects, will likely be more costly, require extensive land use and zone changes, require lengthy and complex HUD approvals, may relinquish millions of dollars in federal subsidies, and require significantly more time. Furthermore, to relocate low-income residents from the urban core away from their communities and jobs and to extend their commute times would be socially and economically inequitable to these low-income populations.

The call for a moratorium on the construction of HPHA affordable housing units, including the redevelopment of Mayor Wright Homes, School Street and Kuhio Park Terrace Phase 2, will delay or possibly decrease the development of these much needed affordable housing units. Delays will add to the already high costs of the redevelopments and unnecessarily postpone the Legislature's objective of filling the 50,000 housing unit shortage. Moreover, a moratorium will prevent the HPHA from addressing its \$800 million backlog in repairs and maintaining safe, decent and sanitary housing, ultimately resulting in the displacement of hundreds of low-income families and individuals.

For these reasons, the HPHA respectfully requests the Committee to **oppose HCR 174/HR110**, and we thank you very much for your dedicated support.

TESTIMONY

TO: The Honorable Mark J. Hashem, Chair
House Committee on Housing

FROM: Robert K. Arakaki, Ph.D.

SUBJECT: HCR 174 and HR 110 “REQUESTING THE HAWAII PUBLIC HOUSING AUTHORITY, IN CONSULTATION WITH THE UNIVERSITY OF HAWAII AT MANOA DEPARTMENT OF URBAN AND REGIONAL PLANNING, TO DEVELOP POLICIES FOR THE EQUITABLE GEOGRAPHIC DISTRIBUTION OF AFFORDABLE HOUSING UNITS ON OAHU.

Hearing: Monday, March 23, 2015, 10:00 am
Conference Room 329, State Capitol

I testify in **support** of HCR 174 and HR 110.

I am a resident of Alewa Heights. Recently, there have been concerns among residents in the area about the Hawaii Public Housing Authority’s proposal to build a new housing project on its property located on N. School Street and Lanakila Avenue. As a former legislative researcher, I decided to look further into the issue. At the March 9, 2015, meeting of the Liliha/ Puunui/ Alewa/ Kamehameha Heights Neighborhood Board No. 14, I presented the results of my research. Using the “Affordable Housing Inventory”¹ provided by the Department of Business and Economic Development and Tourism then correlating the addresses of the housing units with the assigned electoral district it was found that there is an inequitable geographic distribution of affordable housing units. The total number of affordable housing units for House District 29 is 4155 which is more than double the number for House District 26 which has 1928 housing units. The total number of affordable housing units for Senate District 13 is 5178 which is more than double the number for Senate District 21 which has 2143 units. The disparity in distribution can be seen in the two charts provided below: one for Senate districts and one for House districts.

Public policy research supports HCR 174 and HR 110 concerns regarding the concentration of housing projects in a particular area. The Center for Housing Policy in a policy brief titled “Don’t Put It Here!” (2009) found that subsidized rental housing did not generally lead to reductions in nearby property values but that “larger more concentrated developments may be an exception.”² (p. 5) Another significant finding was that “there is widespread pattern of threshold effects whereby the effects on property values are neutral or positive when affordable housing is relatively dispersed, but become negative once a critical mass of assisted housing sites or units are located in a neighborhood.”³ (p. 5) Casey Dawkins in “Exploring the Spatial Distribution of Low Income Housing Tax Credit Properties” (2011) found that the cities of Houston and Dallas have avoided the concentrating of subsidized housing units by requiring that low-income properties not be located within one mile of each other (p. 37).⁴

Thank you for the opportunity to testify.

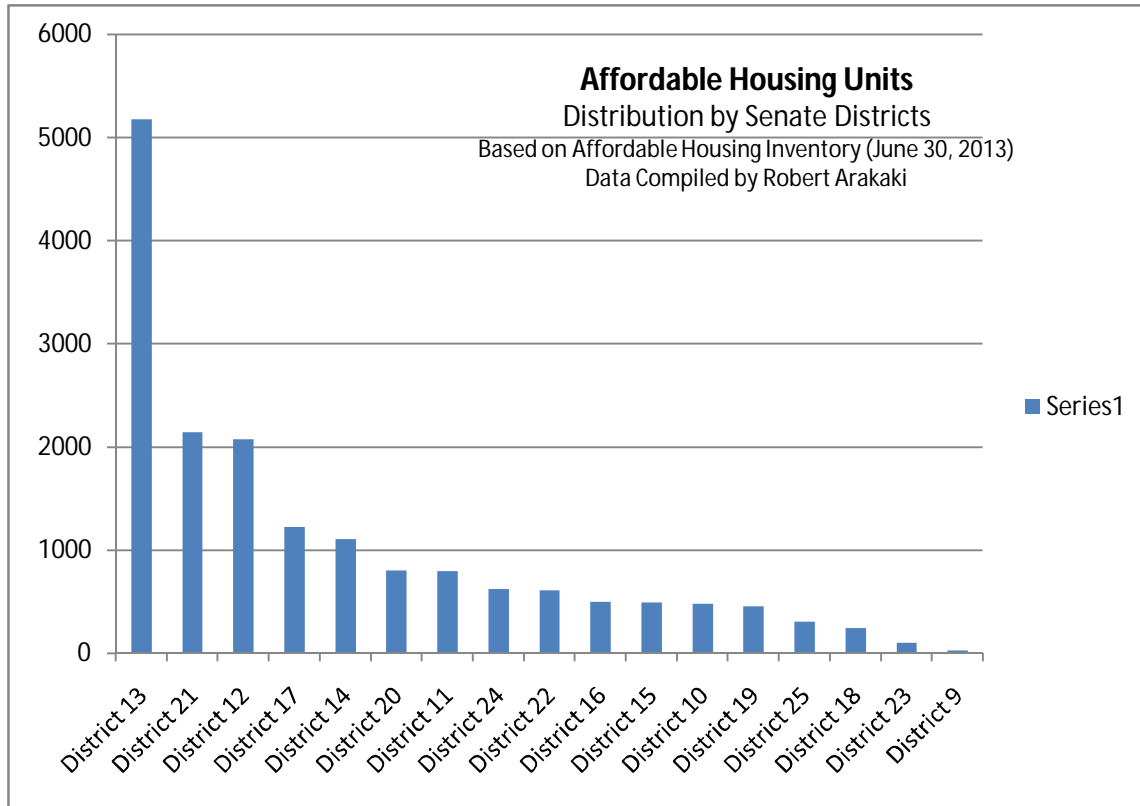
¹ http://dbedt.hawaii.gov/hhfdc/files/2013/07/AFFORDABLE-HOUSING-INVENTORY-REGISTRY_2013-JUNE-30.pdf

² <http://www.nhc.org/media/documents/Dontputithere.pdf>

³ <http://www.nhc.org/media/documents/Dontputithere.pdf>

⁴ http://www.huduser.org/publications/pdf/Dawkins_ExploringLIHT_AssistedHousingRCR04.pdf

Affordable Housing Units – Geographic Distribution by Senate Districts
 Note: Graph displays 17 of 17 Districts



Affordable Housing Units – Geographic Distribution by House Districts
 Note: Graph displays 18 of 35 Districts

